



International
Labour
Organization



▶ Building sustainable enterprises and enhancing productivity

1st meeting of the BRICS Employment Working Group

Johannesburg, 21-24 February, 2023



7 out of 10 workers are employed in small economic units in the BRICS



* BRICS: No data available for the Russian Federation.

Source: ILO calculations (2019) based on national household survey micro datasets from 129 countries, ilo.org representing 86 per cent of global employment.

► Low productivity and decent work deficits are more pronounced in small enterprises.

External reasons:

- Difficulties accessing finance, credit and markets
- Complexity of navigating regulatory frameworks

Internal reasons:

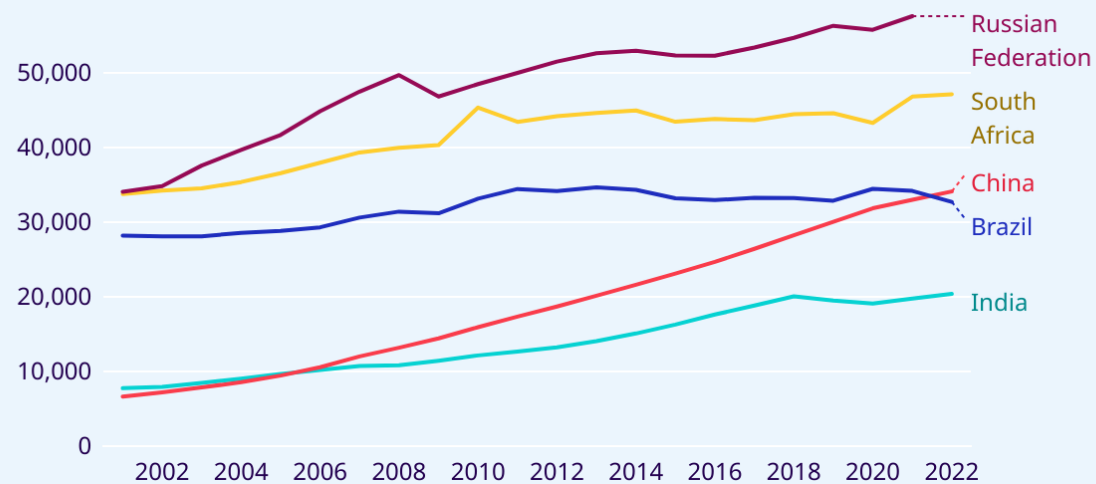
- Below-average management capacity
- Limited access to resources, skills and markets
- Lower economies of scale

In Addition:

Weak social dialogue and collective bargaining functions can impede job quality gains

Slowing growth of labour productivity in the BRICS

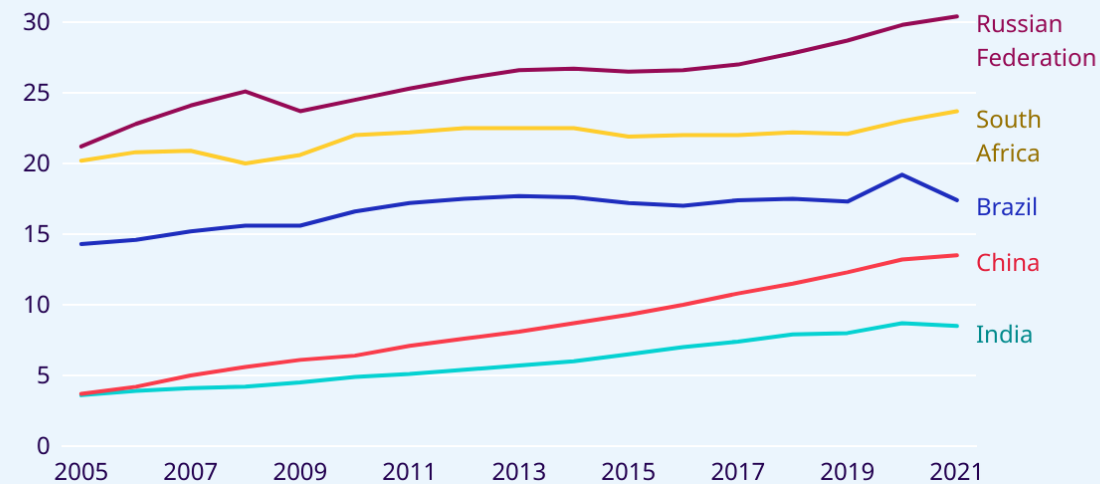
► Labour productivity levels



GDP constant 2017 international \$ at PPP

Source: ILOSTAT

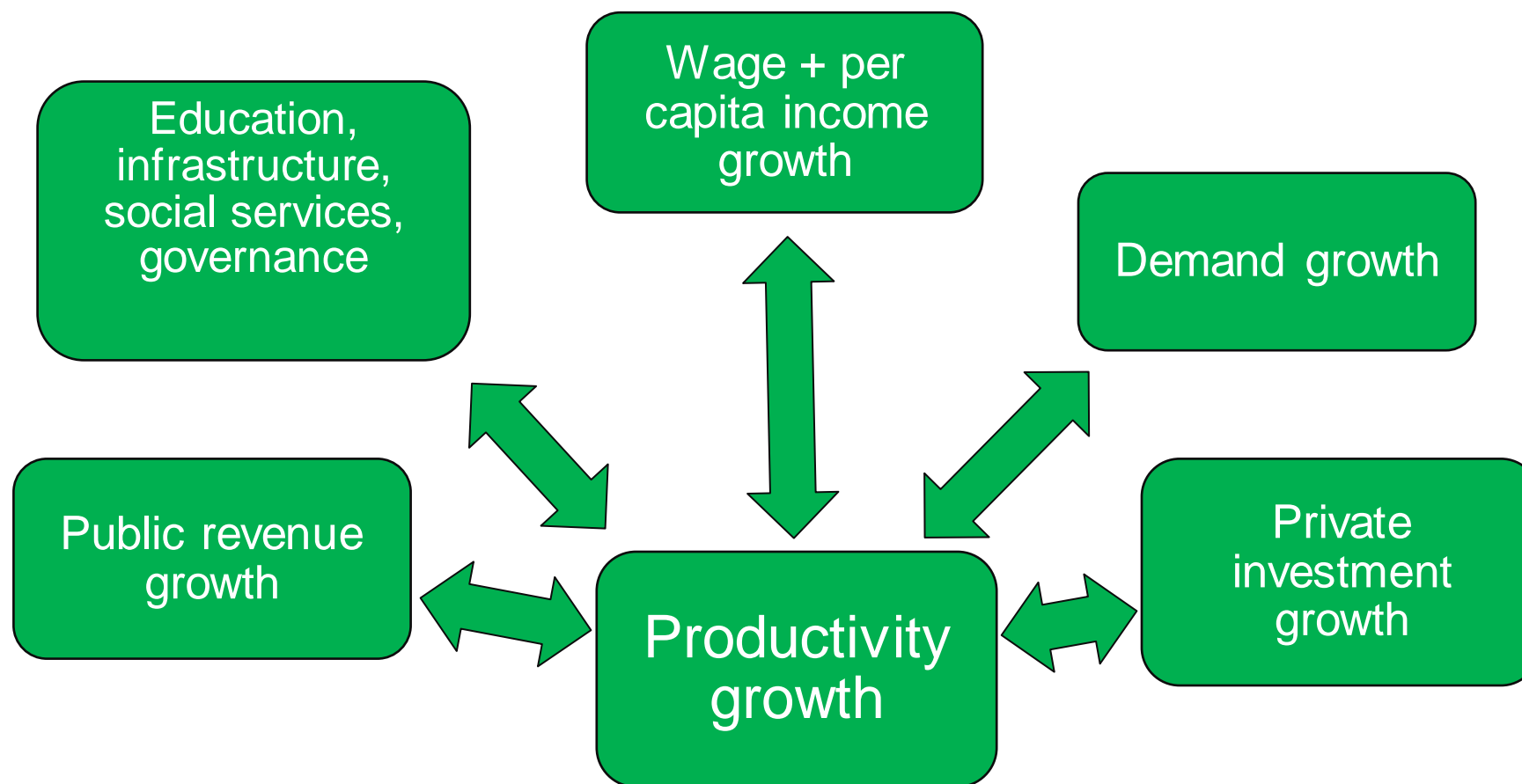
► Output per hour worked



GDP constant 2017 international \$ at PPP

Source: ILOSTAT

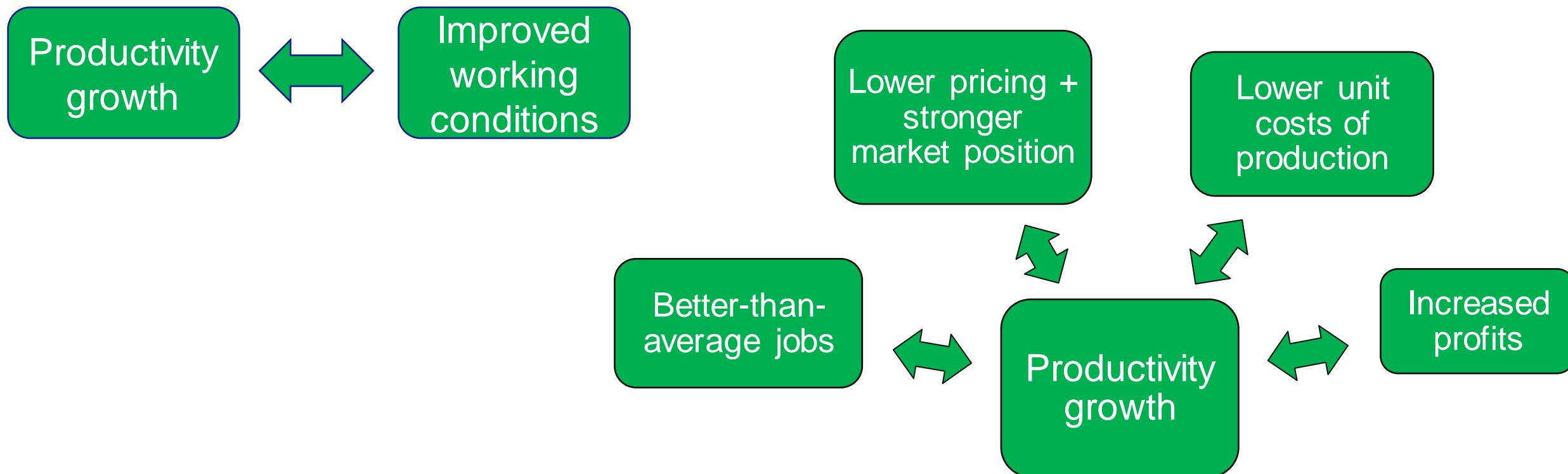
► Macroeconomic drivers of productivity growth



Productivity growth can benefit both workers and enterprises.

Workers

Enterprises



► Informal work is pervasive in some BRICS countries, and productivity gains are linked to transitions to formality and better working conditions

Employment in the informal economy

Brazil	47.8%
Russia	21%
India	88.6%
China	54.5%
South Africa	45%

Source: ILO 2021, Informality and the potential for South-South Cooperation between BRICS

Gender dynamics and environmental sustainability are important concerns for inclusive productivity growth

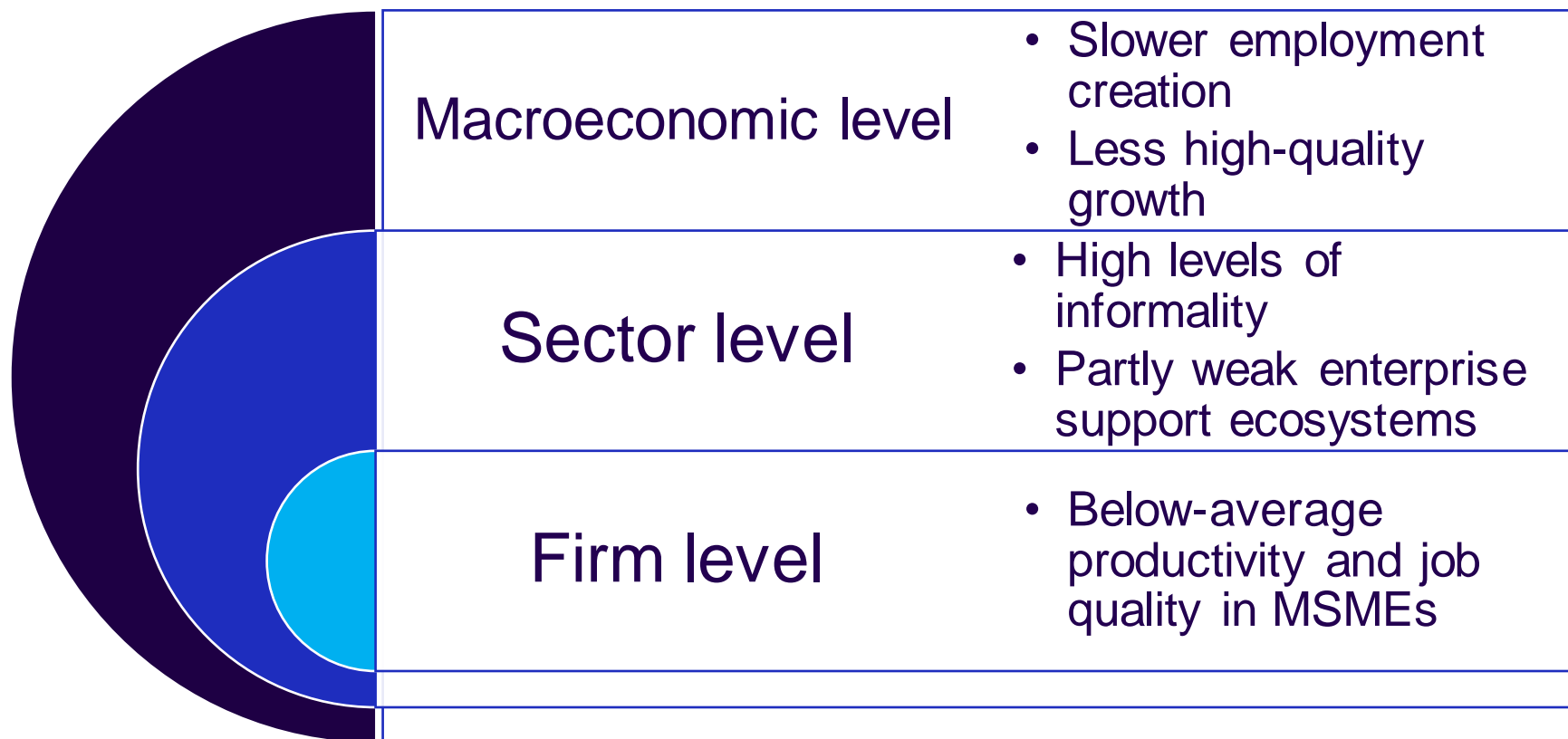


Advancing social justice, promoting decent work



Some common features among BRICS countries

- Shift of labour and resources from agriculture to manufacturing and services
- With slowing growth in BRICS and globally, the relationship between productivity and decent work becomes more strained.



Boosting the decent work potential of SMEs through a productivity ecosystem approach

